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SUBJECT: ZAMBIA - POLITICAL ROUNDUP

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- 11. This cable is sensitive but unclassified, please handle accordingly.
- 12. Summary
- -- Civil Society and GRZ Consult on NGO Bill
- -- National Constitutional Conference to Meet in December
- -- November 8 By-Elections
- -- Sata Slammed as Hired Gun for Taiwan
- -- Tourism-related bills make their way through Parliament

Civil Society and GRZ Consult on NGO Bill

 $\P3$. (SBU) Led by the NGO Coordinating Council, civil society organizations met on November 6 to consult on the NGO Bill. The GRZ pulled the bill in late August following protests by civil society and coordinating partners (refs D and E) that the bill gave the GRZ too much regulatory power and imposed unreasonable reporting requirements. According to press reports, Minister of Justice George Kunda opened the meeting with a speech in which he said that "Unregulated civil society in any country can be a danger to peace and maintenance of law and order." The press also reported Kunda's remarks that some civil society organizations worldwide were known to be conduits for terrorist financing and engaging in money laundering activities, while others were known to receive funds from dubious entities such as "homosexual organizations" (note: in 1998 there was a huge scandal when an international donor announced funding for a homosexual support group). A Department for International Development (DFID, the UK's aid organization) rep who attended the meeting said that civil society was well-organized and presented concrete comments on the text of the draft bill. The NGOCC is now taking the lead on producing a report of the meeting with detailed recommendations for improving the bill. The GRZ plans to resubmit the bill to Parliament, but will probably not be able to do so before the end of the current session of Parliament at the beginning of December.

NCC to Meet in December

14. (SBU) The GRZ has announced that the National Constitutional Conference (NCC) will begin sitting in early December after the current session of Parliament adjourns,

according to press reports and donor contacts. Civil society participation is still not finalized. Four of the five members of civil society umbrella group the Oasis Forum are maintaining their boycott; these include the Evangelical Fellowship of Zambia, the Zambia Episcopal Conference, the Council of Churches of Zambia and a gender-based umbrella group. The membership of the fifth Oasis Forum member, the Law Association of Zambia (LAZ), voted to participate in the NCC. LAZ member and Women and Law in Southern Africa regional chair Matrine Chuulu told Poloff that the LAZ preferred to see in what direction the NCC would go and was prepared to vote with its feet if it was not satisfied. Walking out from within was a more powerful statement than a total boycott, according to Chuulu.

November 8 By-Elections

15. (U) By-elections are being held on November 8 for a seat in the National Assembly and ten municipal ward seats. The National Assembly opening in the Nchanga district of the Copperbelt province resulted from the defection of a former Patriotic Front MP Charles Chimumbwa to the ruling Movement for Multiparty Democracy (note: the Zambian constitution requires a by-election in cases where a member of parliament switches parties). Among the municipal ward openings, two in Lusaka are interesting as they resulted from the forced expulsion from the PF of former Lusaka mayor Susan Nakazwe and a colleague, who both defied party president Michael Sata's orders and met Chinese President Hu Jintao at the airport in March. The MMD brings a lot of material incentives to bear on by-elections and is expected to win in all three races. However, MMD National Assembly candidate Charles Chimumbwa appeared in court on November 6 to face charges that he committed fraud in a business deal involving the sale of copper cathodes (sheets of raw copper used in

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finished products), and this may affect his chances. Hakainde Hichilema, President of the United Party for National Development (UPND) has also put in a lot of campaign effort for this by-election, though that may be more of an effort to boost his name recognition in preparation for 2011 president elections in a region where his party is not traditionally strong.

Sata Slammed as Hired Gun for Taiwan

16. (U) Blowback on opposition Patriotic Front (PF) President Michael Sata's self-proclaimed crusade against China (ref A) continues, with Information Minister Mike Mulongoti calling on November 1 for the police to investigate Sata's solicitation of USD 50,000 from the Taiwanese government on the grounds that organizations must have the written permission of the President to accept any assistance from a foreign government. Meanwhile, at a November 2 ceremony to honor the first anniversary of the Beijing Sino-Africa Summit, Chinese ambassador to Zambia Li Qiangmin charged that Sata was a "hired gun" who is blinded by lust for money. independent Post newspaper has published several stories casting serious doubt on Sata's story that his passport was stolen in London by a Chinese hotel employee, and has run a series of strongly worded op-eds condemning Sata's greed and opportunism. Sata has fought back, saying that he doesn't need the Post and telling voters at a campaign rally appearance that he is a hired gun for Zambia and that he would stand with poor Zambians while the Chinese come to steal Zambia's wealth.

Tourism Bills Make Their Way Through Parliament

17. (U) Zambia's National Assembly opened for business on October 30 after a two-month recess. First on the agenda are two tourism-related bills. The Tourism and Hospitality Act of 2007 represents the GRZ's effort to boost regulation and standards in the tourism industry and to cut bureaucracy for tourism operators. Specifically, the bill creates a "one-stop shop" for all tourism-related licenses within the Ministry for Tourism, Environment and Natural Resources, mandates that hotel managers must have a degree or diploma in hotel management, and creates a Tourism Development Fund for tourism product development, tourism marketing and research and training. The bill also requires permits for any and all renovations structures and provides for an extensive appeal process should any party oppose a permit. Tourism operators complain of insufficient consultation on the bill and fear that the called-for streamlining will only create more bureaucracy. Despite this opposition, the bill is expected to pass before the end of the week. A related bill, the Zambia National Tourism Board (ZNTB) Act, is also expected to pass. The bill will take away licensing responsibilities from the government-funded ZNTB and changes the ZNTB's mandate to focus exclusively on marketing. In the past the ZNTB had a dual marketing and development mandate. MARTINEZ